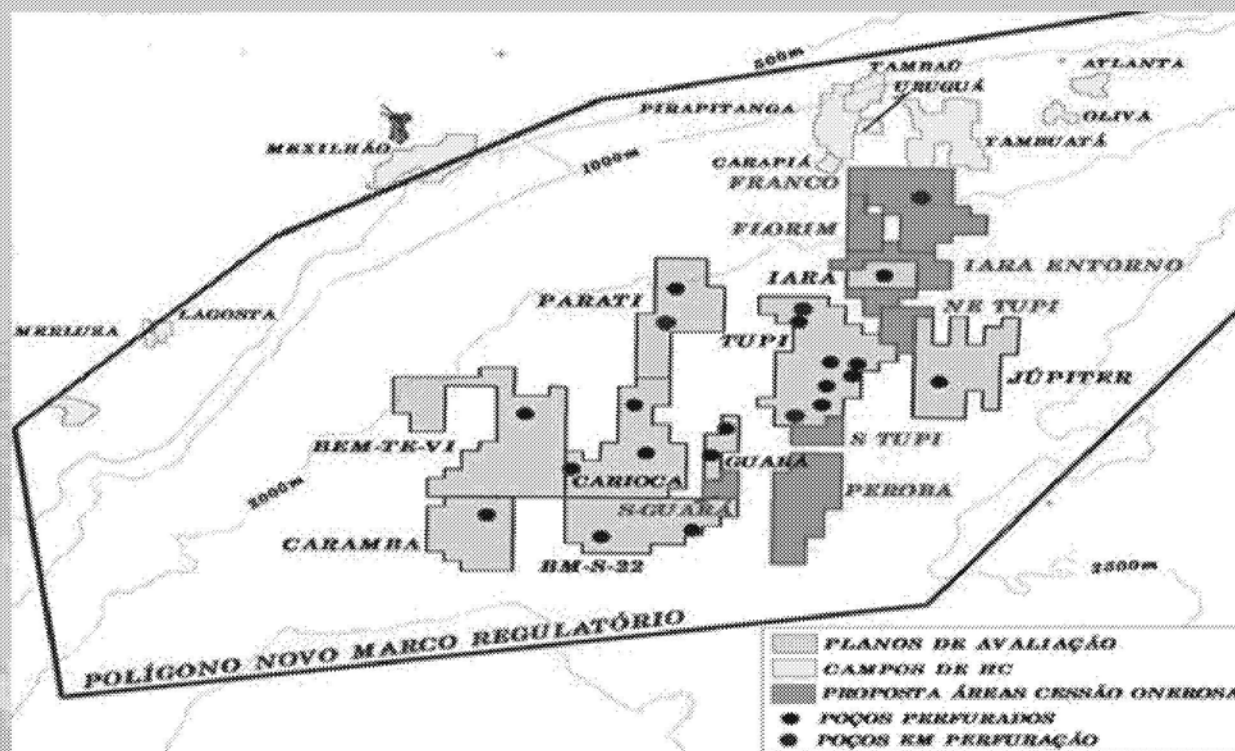


New areas in Pre Salt - Transfer of Rights with Compensation



- After Petrobras started its recent program for contracting new drilling rigs (2008 and 2009) new areas in Pre Salt South Cluster have been added to Petrobras' portfolio;
- These new areas (Transfer of Rights with Compensation) mount approx. 3,900 km², or almost 10% of the already conceded area in Pre Salt;
- For these new blocks, Petrobras is the sole concessionaire.

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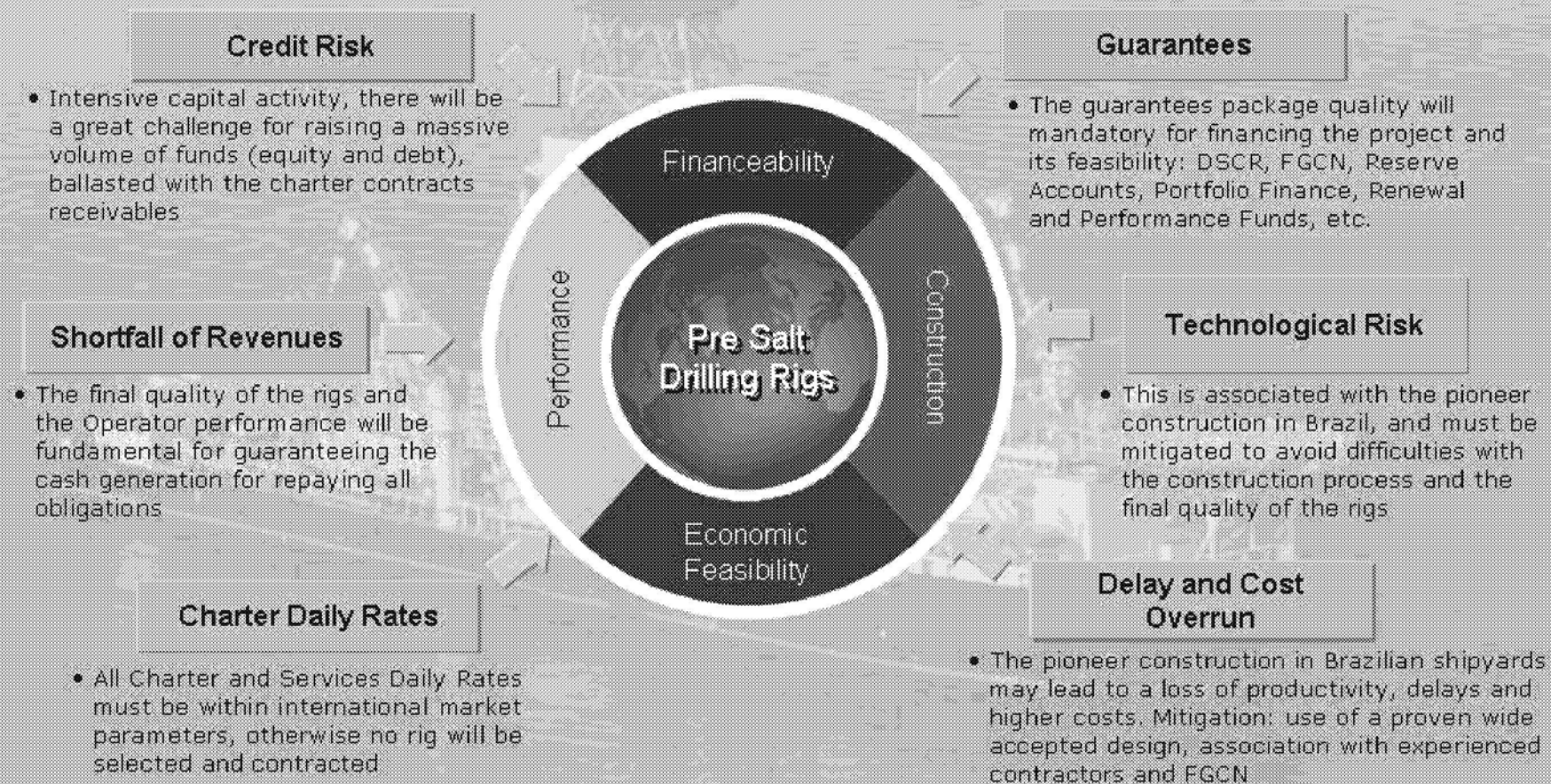
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Main Risks and Challenges

Being a new industry, the rigs pioneer construction in Brazil must be preceded by careful assessment of all associated risks and include a package of mitigation factors:



Risks and Mitigations

RISKS	MITIGATING FACTORS	
	Traditional	Additional
Non acceptance upon delivery from shipyard	Use of a widely accepted design and a high performance shipyard with a successful history of construction	PB permanent supervision of shipyard's works and enforcing a high standard and experienced contractor association
Delay in delivery	Use of a high performance shipyard, warranties and liquidated damages	FGCN, contracting 7 identical units (learning curve) & enforcing shipyard association w/ an expert contractor
Cost Overrun	Use of a proved design, guarantee packages and insurance policies (BAR, DSU)	"Learning Curve" providing increase of productivity, shipyard collateral (FGCN), parametric index (pricing realignment)
Operator Low Performance	Use of a high standard and proved Operator and insurance policies	"Performance Fund", mechanism for Operator replacement, Operator & Petrobras as Company's shareholders
Financing (Credit)	Use of robust DSCR (over 1.20), assets residual value and an actual secondary market for such assets	Portfolio Finance structure, "Renewal and Performance Funds", PB as sponsor and construction supervisor and FGCN
Market Prices (for Daily Rates)	Long term contracts for drilling units chartering	Finance structure efficiency, longer tenors for debt repayment and comprehensive risks mitigation package

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